

Dear Neighbors:

*I would like to take this opportunity to share some of the latest news about the **Federal Medicare Part D Prescription Drug Coverage**. Beginning on January 1, 2006, Medicare will help pay for certain prescription drugs under a new section of Medicare called Part D. As the details come to light, the confusion and concern over the actual workings of the program increases. In the next legislative session, we will be addressing some of your concerns. While we cannot change the federal drug program, we at the state can take better care of our seniors.*

*If you or anyone in your family is on Medicare, this report summarizes some key facts needed to assess all of the options under this new benefit program.*

*Seniors will have to sign up for a drug plan if they want this prescription drug coverage. Monthly premiums and co-payments vary as do which drugs are covered. Therefore, careful study of all the plans is recommended.*

*We have tailored our ConnPACE Program to meet the requirements of the new Medicare Part D plan in an effort to help our seniors with lower incomes.*

*For more information about Medicare Part D and issues related to Medicare and Medicaid, you can call the Center for Medicare Advocacy at (860) 456-7790 in Willimantic, Connecticut or CHOICES at (800) 994-9422*

Very Truly Yours,



Melissa Olson  
State Representative



## Melissa Olson - Representing Norwich

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# CAPITOL BRIEFING

## MEDICARE PART D

- Enrollment
- ConnPACE
- CHOICES Hotline

# Medicare Part D: Prescription Drug Coverage

## Who is eligible for Medicare drug coverage?



People who have Medicare Part A or Part B will be eligible for Medicare drug coverage. They can enroll in any of the Part D plans that serve the area where they live.

## How do you enroll?

In the first year of the program the enrollment period is November 15, 2005 – May 15, 2006. In future years you can enroll from November 15<sup>th</sup> to December 31<sup>st</sup> annually. In 2006 only, you can change drug plans until May 15<sup>th</sup>. After that, you choose a plan until the next open enrollment period occurs. Please remember that you must pay a monthly premium which is currently estimated at \$32.20/month.



## Will Part D drug plans differ?



Yes. Each drug plan can set and change its own formulary or list of covered drugs at any time so long as its coverage is considered at least equivalent to the standard benefit.

## Is Part D optional?

**YES**

Medicare Part D is optional. You do not have to elect drug coverage to participate in Medicare Parts A or B. However, if you do not enroll in Part D when you are first eligible, you will have to pay a penalty if you elect to join later.

## Is there help for people with low incomes?

- Medicaid drug coverage is eliminated for people on both Medicare and Medicaid or have dual eligibility. These individuals are eligible for Medicare Part D.
- A full subsidy is available for people with incomes up to 135% of the Federal Poverty Level (FPL) and assets of not more than \$6,000/individual or \$9,000/couple.
- A partial subsidy is available for people with incomes up to 150% FPL and assets of not more than \$10,000/individual or \$20,000/couple.



## ConnPACE Considerations

- As a condition of ConnPACE eligibility, Medicare beneficiaries must enroll in Part D, disclose information on income and assets, and appoint DSS as an authorized representative. If they do not choose a plan in time, DSS will automatically enroll you in one.
- ConnPACE will generally pay the Part D premium; however, you must pay your annual ConnPACE membership fee of \$30 as well. DSS is currently evaluating this issue and is unsure of what level premium they will pay.
- ConnPACE recipients will not pay more than \$16.25 for Part D plan formulary drugs.

## Factors to consider when choosing a prescription drug plan

- The amount of the monthly premium
- Whether the plan formulary includes:
  - The particular drugs needed by the Medicare beneficiary
  - The strengths and dosages of the drugs needed by the beneficiary
- Whether the plan's network includes:
  - The pharmacies used by the beneficiary
  - The pharmacy used by the long-term care facility in which the beneficiary resides
- Whether there are price differentials among pharmacies in the network
- Whether mail-order is allowed or required
  - The price differential for mail-order
- The plan's utilization management tools:
  - The prior authorization requirements for obtaining certain medications
  - Whether the plan requires step therapy (requirement that an individual try particular medications before those prescribed by the beneficiary's physician)
  - Whether the plan uses tiered cost-sharing (different co-pays for generics, brands, or for specific drugs)
  - The number of cost-sharing tiers
  - The co-payments/co-insurance per tier

**Need Help Understanding And Enrolling In Part D?**

**Contact the CHOICES Hotline: 800-994-9422  
or Center for Medicare Advocacy: 860-456-7790**